

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2347-02
BILL NO.: HB 1315
SUBJECT: Motor Vehicles; Special License Plates
TYPE: Original
DATE: January 28, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Highway Fund	\$1,696	\$51,345	\$51,345
Total Estimated Net Effect on <u>All</u> State Funds	\$1,696	\$51,345	\$51,345

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$16,647	\$17,115	\$17,115

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 7 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Transportation** concur with the Department of Revenue's response to this proposal.

The **Department of Revenue (DOR)** assumes this proposal creates five new license plate types to be known as Missouri Botanical Garden, Missouri Humane Society, St. Louis Zoo, Kansas City Zoo and Springfield Zoo. The Motor Vehicle Bureau would require the services of one (1) Clerk Typist II for 490 hours of overtime to process additional plate applications. The Clerk Typist II's responsibilities would include, editing, correspondence, validation, key entry, telephone and customer walk-in assistance. The proposal also removes the payment of the special plate fee for the Children's Trust Fund plates.

In addition, the DOR would incur expenses in the amount of \$18,899 for policy and procedure changes, forms and postage, and \$21,716 for plates and tabs for FY01.

VIETNAM VETERAN PLATES

This proposal provides for increasing the weight limit for Vietnam Veteran plates. The Motor Vehicle Bureau has only issued 162 of these plates, therefore this proposal would result in minimal revenue or cost impacts on the Motor Vehicle Bureau.

REVENUE DECREASE

CHILDREN'S TRUST FUND

Currently, the DOR has issued 1,536 Children's Trust Fund license plates. The removal of the \$15 fee for the plate will result in the following decrease in revenue.

$$1,536 \times \$15 = \$23,040/12 \times 10 = (\$19,200)$$

FY01

$$\$19,200 \times 75\% = (\$14,400) \text{ Highway}$$

$$\$19,200 \times 15\% = (\$ 2,880) \text{ Cities}$$

$$\$19,200 \times 10\% = (\$ 1,920) \text{ Counties}$$

FY02 & 03

$$\$23,040 \times 75\% = (\$17,280) \text{ Highway}$$

$$\$23,040 \times 15\% = (\$ 3,456) \text{ Cities}$$

$$\$23,040 \times 10\% = (\$ 2,304) \text{ Counties}$$

ASSUMPTION(continued)

REVENUE INCREASE

MISSOURI BOTANICAL GARDEN

According to the Missouri Botanical Gardens Development Office, they have approximately 33,000 members. We assume 5% of these members will make the \$35 contribution and apply for a Botanical Garden Plate.

$33,000 \times 5\% = 1,650$ **additional license plates**

HUMANE SOCIETY

According to the Heart of Missouri Humane Society they have approximately 33,000 members. We assume 5% of these members will make the \$35 contribution and apply for a Humane Society license plate.

$33,000 \times 5\% = 1,650$ **additional license plates**

ST. LOUIS ZOO

According to the St. Louis Zoo they have approximately 26,000 members. We assume 5% of these members will make the annual contribution and apply for a St. Louis Zoo license plate.

$26,000 \times 5\% = 1,300$ **additional license plates**

KANSAS CITY ZOO

According to the Kansas City Zoo they have approximately 25,000 members. We assume 5% of these members will make the annual contribution and apply for Kansas City Zoo license plates.

$25,000 \times 5\% = 1,250$ **additional license plates**

SPRINGFIELD ZOO

According to the Springfield Zoo they have approximately 5,000 members. We assume 5% of these members will make the annual contribution and apply for Springfield Zoo license plates.

$5,000 \times 5\% = 250$ **additional license plates**

Total number of additional license plates = 6,100

The option for biennial motor vehicle registration begins July 1, 2000. Therefore, the following projections are based on the estimated number of individuals that will choose biennial per year. The Department anticipates that approximately 25% of the individuals offered biennial registration will choose it. (Even numbered vehicles will be offered in even number years and odd numbered vehicles will be offered in odd number years.)

ASSUMPTION (continued)

FY01

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\$85,788 x 75% = \$63,591 Highway Fund
\$85,788 x 15% = \$12,868 Cities
\$85,788 x 10% = \$ 8,579 CART

FY02 and 03

\$91,500 x 75% = \$68,625 Highway Fund
\$64,200 x 15% = \$13,725 Cities
\$64,200 x 10% = \$ 9,150 CART

NET REVENUE

FY01

\$49,191 Highway Fund
\$ 9,988 Cities
\$ 6,659 CART

FY02 & 03

\$51,345 Highway Fund
\$10,269 Cities
\$ 6,846 CART

Officials from the **Secretary of State (SOS)** assumes the rules, regulations and forms issued by the DOR could require as many as twelve pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$22.50. The estimated cost of a page in the Code of State Regulations is \$26.50. Therefore, the total anticipated cost is \$723.00 in FY01. The actual costs could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

While the bill alone would not require SOS to acquire additional staff, SOS assumes the cumulative effect of other bills that require rulemaking may, in the aggregate, necessitate additional staff.

ASSUMPTION (continued)

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of

regulations at substantial costs, the SOS could request funding through the appropriations process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
HIGHWAY FUND			
<u>Income</u> - DOR			
Specialty License Plate fee	\$63,591	\$68,625	\$68,625
<u>Cost</u> - DOR			
Overtime - Clerk Typist II	(6,880)		
Forms and policies - printing and postage	(18,899)	\$0	\$0
Plates and tabs	(21,716)	\$0	\$0
Total Costs - DOR	(\$47,495)	\$0	\$0
<u>Loss</u> - DOR			
Elimination of "personalization" fee for Children's Trust Fund plates	(\$14,400)	(\$17,280)	(\$17,280)
ESTIMATED NET EFFECT TO			
HIGHWAY FUND	\$1,696	\$51,345	\$51,345

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
CITIES and COUNTIES			
<u>Income</u> - Additional Fees			
Cities	\$12,868	\$13,725	\$13,725
County Aid Road Trust Fund	8,579	9,150	9,150
Total Income - Cities & Counties	\$21,447	\$22,875	\$22,875
<u>FISCAL IMPACT - Local Government</u> (continued)	FY 2001 (10 Mo.)	FY 2002	FY 2003
CITIES and COUNTIES			

Loss - Reduction in Fees

Cities	(\$2,880)	(\$3,456)	(\$3,456)
County Aid Road Trust Fund	(1,920)	(2,304)	(2,304)
	(\$4,800)	(\$5,760)	(\$5,760)
Estimated Net Effect on CITIES and COUNTIES	\$16,647	\$17,115	\$17,115

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal allows the issuance of several special license plates: Missouri Botanical Gardens, Humane Society of Missouri, St. Louis Zoo, Kansas City Zoo and Springfield Zoo. To obtain these plates, one must pay the applicable contribution to the sponsoring organization for an emblem-use authorization statement and submit the statement to the Department of Revenue at the time of registration.

The VIETNAM VETERAN license plate may be obtained for a non-local property-carrying commercial motor vehicles licensed for a gross weight of 6,001 to 18,000 pounds. Currently, the plate is restricted to such vehicles with a gross weight of 9,001 to 12,000 pounds.

Persons wanting the Children's Trust Fund license plate will have the option of obtaining authorization by paying the fee to the Children's Trust Fund Board and presenting authorization to the Director of Revenue or by applying and paying the fee to the director at the time of registration. Any contributions paid directly to the director will be deposited in the state treasury to the credit of the Children's Trust Fund. The fee for personalized license plates will not be required for this plate.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
 Department of Revenue
 Secretary of State

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A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA
Director
January 28, 2000